



**CITY OF NEWPORT
NEWPORT ECONOMIC DEVELOPMENT AUTHORITY
NEWPORT CITY HALL**

February 17, 2022 – IMMEDIATELY FOLLOWING THE CITY COUNCIL WORKSHOP

May Be Held Electronically

<https://us02web.zoom.us/j/83549615496?pwd=emdldkJoK1VXWWZja1IwcXRoeGdhdz09>

President:	Laurie Elliott	E.D. Director / City Administrator:	Deb Hill
Board of	Kevin Chapdelaine	Asst. to the City Admin:	Travis Brierley
Commissioners:	Tom Ingemann	Authority Attorney:	Flaherty & Hood
	Marvin Taylor		
	Rozlyn Johnson		

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. ADOPT AGENDA
4. NEDA MINUTES
 - a. December 16, 2021
5. POTENTIAL CLOSED MEETING
(Meeting closed pursuant to develop or consider offers or counteroffers for the sale of real property located at 2nd Avenue and 9th Street under Minn. Stat. 13D.05, Subd. 3 (b))
6. ADJOURNMENT



**CITY OF NEWPORT
NEWPORT ECONOMIC DEVELOPMENT AUTHORITY MINUTES
NEWPORT CITY HALL
December 16, 2021**

1. CALL TO ORDER

President Elliott called the Newport Economic Development Authority meeting to order at 6:11 p.m. on December 16, 2021.

2. ROLL CALL

Present (4): President Laurie Elliott, Commissioner Kevin Chapdelaine, Commissioner Tom Ingemann, and Commissioner Marvin Taylor.

Not Present (1): Commissioner Rozlyn Johnson

3. ADOPT AGENDA

Commissioner Chapdelaine motioned to adopt the agenda as presented. Seconded by Commissioner Ingemann. Approved 4-0.

4. NEDA MINUTES

a. October 21, 2021

Commissioner Chapdelaine motioned to approve the NEDA minutes from October 21, 2021. Seconded by Commissioner Taylor. Approved 4-0.

5. 2nd AVENUE AND 9th STREET PROPERTIES

a. Resolution No. 2021-01 Approving Land Transfer

Economic Development Director Deb Hill stated Resolution No. 2021-01 is to approve the land transfer from the City of Newport to the EDA so the vacant lots can be marketed and sold for development purposes.

Commissioner Ingemann motioned to adopt Resolution No. 2021-01 Approving the Land Transfer. Seconded by Commissioner Taylor. Approved 4-0.

6. ADJOURNMENT

President Elliott motioned to adjourn the Newport Economic Development Authority meeting. Seconded by Commissioner Chapdelaine. Approved 4-0.

The Newport Economic Development Authority meeting was adjourned at 6:18 p.m. on December 16, 2021

Respectfully Submitted:
Jill Thiesfeld,
Administrative Assistant II

Signed: _____
Laurie Elliott, President



MEMO

TO: NEDA

FROM: Deb Hill, City Administrator

DATE: February 17, 2022

SUBJECT: Offer for 927 and 975 2nd Avenue

Background: Staff has been in negotiations on the sale of the two lots Newport owns at 927 and 975 2nd Avenue. The party that is interested needed more than one parcel to build the home she desired – NEDA agreed to sell the two lots at a combined price of \$200,000. It was thought to be appropriate to have one house on this site even though more taxes would be generated with the two lots and the loss of assessment when 2nd and 9th are reconstructed.

The buyer was presented with the surveys of the parcels – included with this was an easement for conveyance of stormwater when the streets are renovated. The buyer was not interested in purchasing the part of the parcel that was the easement – it was explained that there are numerous easements all through Newport and this was not unusual. It was also explained that even though the easement could not be built on, it would give greater flexibility with the calculation of impervious surface. It has been also made clear that the only purchase agreement used would be the one prepared by our attorneys.

Discussion: The buyer has offered \$140,000 for about .5 acres. The city engineer has calculated the area outside of the easement to be just shy of .6 acres. The cost per square foot for the entire site was \$6.56 per square foot with the cost of the site for .6 acres being about \$171,000.

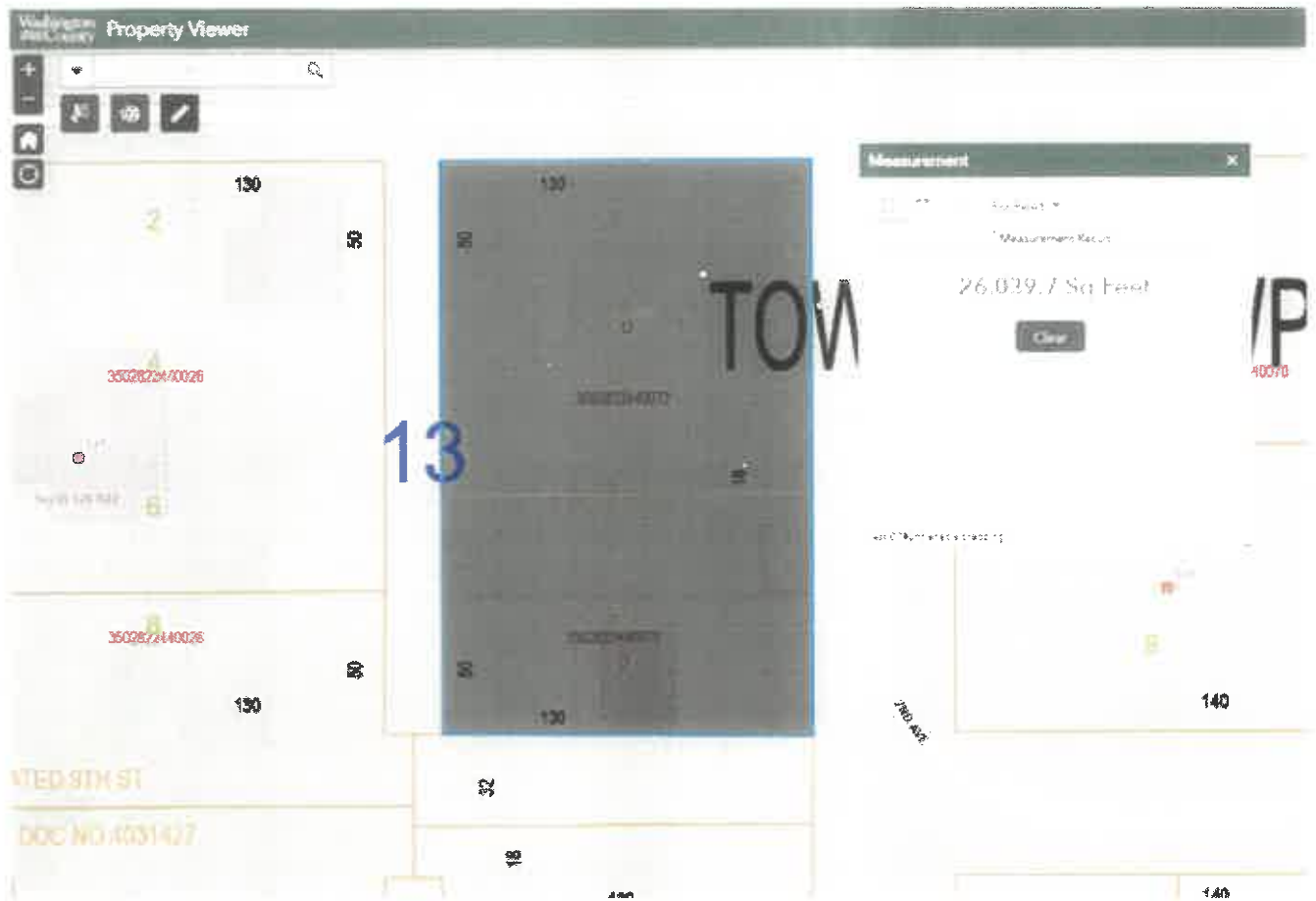
The engineer did comment on the advantage of the city retaining ownership as we would be in total control of the site when stormwater solutions are made for the area along with access across the city's properties to west to the Mississippi.

It will cost us about \$1000 to have new legal descriptions to be drawn up for the parcel changes.

The buyer's proposal, the city attorney agreement with easement, and map are attached.

Recommendation: NEDA should instruct staff whether they are interested in selling a portion of the entire two parcels and if so, would the .6 acres be the minimum. Staff would recommend staying with all the recommendation in the agreement that the city attorney drew up.

:



Jon Herdegen, PE | Team Leader
 MSA Professional Services, Inc.
 100% Employee Owned
 +1 (612) 548-3124





PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

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1. Date January 27 2022
2. Page 1

3. BUYER(S): Brenda Kyle
4. _____
5. Buyer's earnest money in the amount of _____
6. Two Thousand Dollars (\$ 2,000.00)
7. shall be delivered to listing broker, or, if checked, to ☒ Trust Funds no later than two (2) Business
-----("Earnest Money Holder")-----
8. Days after Final Acceptance Date. Buyer and Seller agree that earnest money shall be deposited in the trust account
9. of Earnest Money Holder as specified above within three (3) Business Days of receipt of the earnest money or Final
10. Acceptance Date, whichever is later.
11. Said earnest money is part payment for the purchase of the property located at
12. Street Address: 927&975 2nd Avenue
13. City of Newport, County of Washington State of Minnesota,
14. Zip Code 55055, legally described as Legal to govern to PID #'s 35.028.22.44.0072
15. and 35.028.22.44.0025
16. _____
17. including all fixtures, if any, **AND** including the following personal property, if any, which shall be transferred with no
18. additional monetary value, and free and clear of all liens and encumbrances:
19. _____
20. _____
21. _____ (collectively the "Property").
22. Notwithstanding the foregoing, the following item(s) are excluded from the purchase:
23. _____

PURCHASE PRICE:

24. _____
25. Seller has agreed to sell the Property to Buyer for the sum of (\$ 140,000.00)
26. _____
27. One Hundred Forty Thousand Dollars,
28. which Buyer agrees to pay in the following manner:
29. 1. 100 percent (%) of the sale price in **CASH**, or more in Buyer's sole discretion, including earnest money;
30. 2. 0 percent (%) of the sale price in **MORTGAGE FINANCING**. (See following Mortgage Financing
31. section.)
32. 3. _____ percent (%) of the sale price by **ASSUMING** Seller's current mortgage. (See attached *Addendum to*
33. *Purchase Agreement: Assumption Financing*.)
34. 4. _____ percent (%) of the sale price by **CONTRACT FOR DEED**. (See attached *Addendum to Purchase*
35. *Agreement: Contract for Deed Financing*.)

CLOSING DATE:

36. _____
37. The date of closing shall be April 15th 2022.

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

38. Page 2 Date January 27 2022

39. Property located at 927&975 2nd Avenue Newport MN 55055.

MORTGAGE FINANCING:

40. This Purchase Agreement ☐ IS ☒ **IS NOT** subject to the mortgage financing provisions below. If **IS**, complete the
-----*(Check one.)*-----

41. **MORTGAGE FINANCING** section below. If **IS NOT**, proceed to the **SELLER'S CONTRIBUTIONS TO BUYER'S COSTS** section.

42. Such mortgage financing shall be: *(Check one.)*

43. ☐ **FIRST MORTGAGE only** ☐ **FIRST MORTGAGE AND SUBORDINATE FINANCING.**

44. Financing ☐ **DOES** ☐ **DOES NOT** require approval of a grant, bond program, or other loan assistance program. If
-----*(Check one.)*-----

45. **"DOES,"** please specify: _____.

46. Buyer shall apply for and secure, at Buyer's expense, a: *(Check all that apply.)*

47. ☐ **CONVENTIONAL OR PRIVATELY INSURED CONVENTIONAL**

48. ☐ **DEPARTMENT OF VETERANS' AFFAIRS ("DVA") GUARANTEED**

49. ☐ **FEDERAL HOUSING ADMINISTRATION ("FHA") INSURED**

50. ☐ **UNITED STATES DEPARTMENT OF AGRICULTURE ("USDA") RURAL DEVELOPMENT**

51. ☐ **OTHER** _____

52. mortgage in the amount stated in this Purchase Agreement, amortized over a period of not more than
53. _____ years, with an initial interest rate at no more than _____ percent (%) per annum. The mortgage
54. application **IS TO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance Date. Buyer agrees to
55. use best efforts to secure a commitment for such financing and to execute all documents required to consummate
56. said financing.

57. **MORTGAGE FINANCING CONTINGENCY:** This Purchase Agreement is contingent upon the following and applies
58. to the first mortgage and any subordinate financing. *(Check one.)*

59. ☐ If Buyer cannot secure the financing specified in this Purchase Agreement, and this Purchase Agreement does not
60. close on the closing date specified, this Purchase Agreement is canceled. Buyer and Seller shall immediately
61. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here
62. to be ☐ **REFUNDED TO BUYER** ☐ **FORFEITED TO SELLER.**
63. -----*(Check one.)*-----

64. **NOTE:** If this Purchase Agreement is subject to DVA or FHA financing, **FORFEITED TO SELLER** may be
65. prohibited. See the following DVA and FHA Escape Clauses.

66. ☐ Buyer shall provide Seller, or licensee representing or assisting Seller, with the Written Statement, on
67. or before _____.

68. For purposes of this Contingency, **"Written Statement"** means a Written Statement prepared by Buyer's mortgage
69. originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified in this
70. Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating that an
71. appraisal, satisfactory to the lender(s), has been completed and stating conditions required by lender(s) to close
72. the loan.

73. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the obligation for
74. satisfying all conditions required by mortgage originator(s) or lender(s), except those conditions specified below,
75. are deemed accepted by Buyer:

76. (a) work orders agreed to be completed by Seller;

77. (b) any other financing terms agreed to be completed by Seller here; and

78. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement.

79. MN:PA:VL-2 (8/21)

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

80. Page 3 Date January 27 2022

81. Property located at 927&975 2nd Avenue Newport MN 55055.

82. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the stated closing date for
83. ANY REASON relating to financing, including, but not limited to interest rate and discount points, if any, then Seller
84. may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase Agreement is
85. canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
86. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to
87. be forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies allowed by law.

88. Notwithstanding the language in the preceding paragraph, Seller may not declare this Purchase Agreement
89. canceled if the reason this Purchase Agreement does not close was due to:

- 90. (a) Seller's failure to complete work orders to the extent required by this Purchase Agreement;
- 91. (b) Seller's failure to complete any other financing terms agreed to be completed by Seller here; or
- 92. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement, except
- 93. as specified in the contingency for sale and closing of Buyer's property.

94. If the Written Statement is not provided by the date specified on line 68, Seller may, at Seller's option, declare this
95. Purchase Agreement canceled by written notice to Buyer at any time prior to Seller receiving the Written Statement,
96. in which case this Purchase Agreement is canceled. In the event Seller declares this Purchase Agreement
97. canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said
98. cancellation and directing all earnest money paid here to be refunded to Buyer.

99. If the Written Statement is not provided, and Seller has not previously canceled this Purchase Agreement, this
100. Purchase Agreement is canceled as of the closing date specified in this Purchase Agreement. Buyer and Seller
101. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all
102. earnest money paid here to be refunded to Buyer.

103. **LOCKING OF MORTGAGE INTEREST RATE ("RATE"):** The Rate shall be locked with the lender(s) by Buyer:
104. *(Check one.)*

- 105. ☐ **WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE DATE; OR**
- 106. ☐ **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**

107. **LENDER COMMITMENT WORK ORDERS:** Seller agrees to pay up to \$ _____ to
108. make repairs as required by the lender commitment. If the lender commitment is subject to any work orders for which
109. the cost of making said repairs shall exceed this amount, Seller shall have the following options:

- 110. (a) making the necessary repairs; or
- 111. (b) negotiating the cost of making said repairs with Buyer; or
- 112. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Seller
- 113. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all
- 114. earnest money paid here to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs
- 115. or escrow amounts related thereto above the amount specified on line 107 of this Purchase Agreement.

116. ☐ **SELLER** ☐ **BUYER** agrees to pay any reinspection fee required by Buyer's lender(s).
-----*(Check one.)*-----

117. **FHA ESCAPE CLAUSE (FHA Financing only):** "It is expressly agreed that, notwithstanding any other provisions
118. of this contract, the purchaser shall not be obligated to complete the purchase of the Property described here or to
119. incur any penalty by forfeiture of earnest money deposits or otherwise, unless the purchaser has been given in
120. accordance with the Department of Housing and Urban Development ("HUD")/FHA or DVA requirements a written
121. statement by the Federal Housing Commissioner, Department of Veterans' Affairs, or a Direct Endorsement lender
122. setting forth the appraised value of the Property as not less than \$ _____ .
(sale price)

123. The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard
124. to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage
125. HUD will insure; HUD does not warrant the value nor the condition of the Property. The purchaser should satisfy
126. himself/herself that the price and condition of the Property are acceptable."

127. **LENDER PROCESSING FEES (FHA, DVA Financing Only):** Seller agrees to pay Buyer's closing fees and
128. miscellaneous processing fees which cannot be charged to Buyer, not to exceed \$ _____.
129. This amount is in addition to Seller's Contributions to Buyer's Costs, if applicable.

**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

130. Page 4 Date January 27 2022

131. Property located at 927&975 2nd Avenue Newport MN 55055

132. **DVA FUNDING FEE (DVA Financing only):** Pursuant to federal regulations, a one-time Funding Fee based on loan
133. amount must be paid at the closing of this transaction as follows:

134. _____ paid by Buyer ☐ **AT CLOSING** ☐ **ADDED TO MORTGAGE AMOUNT**
------(Check one.)-----

135. _____ paid by Seller

136. **NOTE: DVA regulations limit the fees and charges Buyer can pay to obtain a DVA loan.**

137. **DEPARTMENT OF VETERANS' AFFAIRS ESCAPE CLAUSE (DVA Financing only):** "It is expressly agreed that,
138. notwithstanding any other provisions of this contract, the purchaser shall not incur any penalty by forfeiture of earnest
139. money or otherwise be obligated to complete the purchase of the Property described here, if the contract purchase
140. price or cost exceeds the reasonable value of this Property established by the Department of Veterans' Affairs. The
141. purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without
142. regard to the amount of reasonable value established by the Department of Veterans' Affairs."

143. **NOTE: Verify DVA requirements relating to payment of all special assessments levied and pending, and**
144. **annual installments of special assessments certified to yearly taxes.**

145. **OTHER MORTGAGE FINANCING ITEMS:**

146.

SELLER'S CONTRIBUTIONS TO BUYER'S COSTS:

148. Seller ☐ **IS** ☒ **IS NOT** contributing to Buyer's costs. If answer is **IS**, Seller agrees to pay at closing, up to: (Check one.)
------(Check one.)-----

149. ☐ \$ _____

150. ☐ _____ percent (%) of the sale price

151. towards Buyer's closing fees, title service fees, title searches, title examinations, abstracting, lender's title insurance,
152. owner's title insurance, prepaid items, other Buyer's costs allowable by lender, if any, and/or mortgage discount points. Any
153. amount of Seller's contribution that exceeds Buyer's allowable costs, or which cannot be used because Seller's
154. contribution exceeds the maximum Seller contribution allowed by law or by mortgage requirements, shall be retained
155. by Seller.

156. **NOTE: The amount paid by Seller cannot exceed the maximum Seller contribution allowed by FHA, DVA, or**
157. **lender. All funds paid by Seller on behalf of Buyer must be stated on the Closing Disclosure at closing.**

SALE OF BUYER'S PROPERTY:

158. (Check one.)

160. ☐ 1. This Purchase Agreement is subject to an *Addendum to Purchase Agreement: Sale of Buyer's Property*
161. *Contingency* for the sale of Buyer's property. (If checked, see attached *Addendum*.)

162. OR

163. ☐ 2. This Purchase Agreement is contingent upon the successful closing on the Buyer's property located at
164. _____, which is scheduled to close on

165. _____ pursuant to a fully executed purchase agreement. If Buyer's
166. property does not close by the closing date specified in this Purchase Agreement, this Purchase Agreement
167. is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said
168. cancellation and directing all earnest money paid here to be refunded to Buyer. The language in this paragraph
169. supersedes any other provision to the contrary in any financing contingency made a part of this Purchase
170. Agreement, if applicable.

171. OR

172. ☒ 3. Buyer represents that Buyer has the financial ability to perform on this Purchase Agreement without the sale
173. and closing on any other property.

**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

174. Page 5 Date January 27 2022

175. Property located at 927&975 2nd Avenue Newport MN 55055.

176. **REAL ESTATE TAXES/SPECIAL ASSESSMENTS:**

177. **REAL ESTATE TAXES:** Seller shall pay on the date of closing all real estate taxes due and payable in all prior years
178. including all penalties and interest.

179. Buyer shall pay ☒ **PRORATED FROM DAY OF CLOSING** ☐ **ALL** ☐ **NONE** ☐ _____ /12ths **OF** real estate
180. taxes due and payable in the year of closing. (Check one.)

181. Seller shall pay ☒ **PRORATED TO DAY OF CLOSING** ☐ **ALL** ☐ **NONE** ☐ _____ /12ths **OF** real estate taxes
182. due and payable in the year of closing. (Check one.)

183. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which
184. is not otherwise here provided. No representations are made concerning the amount of subsequent real estate
185. taxes.

186. **DEFERRED TAXES/SPECIAL ASSESSMENTS:**

187. ☐ **BUYER SHALL PAY** ☒ **SELLER SHALL PAY** on date of closing any deferred real estate taxes
188. (e.g. Green Acres) or special assessments, payment of which is required as a result of the closing of this sale. (Check one.)

189. ☐ **BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING** ☒ **SELLER SHALL PAY ON**
190. **DATE OF CLOSING** all installments of special assessments certified for payment, with the real estate taxes due and
191. payable in the year or closing. (Check one.)

192. ☐ **BUYER SHALL ASSUME** ☒ **SELLER SHALL PAY** on date of closing all other special assessments levied as
193. of the Date of this Purchase Agreement. (Check one.)

194. ☐ **BUYER SHALL ASSUME** ☒ **SELLER SHALL PROVIDE FOR PAYMENT OF** special assessments pending as
195. of the Date of this Purchase Agreement for improvements that have been ordered by any assessing authorities.
196. (Seller's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the
197. assessments or less, as required by Buyer's lender.) (Check one.)

198. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of
199. which is not otherwise here provided.

200. As of the Date of this Purchase Agreement, Seller represents that Seller ☐ **HAS** ☒ **HAS NOT** received a notice
201. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed
202. against the Property. Any such notice received by Seller after the Date of this Purchase Agreement and before
203. closing shall be provided to Buyer immediately. If such notice is issued after the Date of this Purchase Agreement and
204. on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide
205. for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare
206. this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other
207. party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled,
208. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
209. directing all earnest money paid here to be refunded to Buyer. (Check one.)

210. **ADDITIONAL PROVISIONS:**

211. **PREVIOUSLY EXECUTED PURCHASE AGREEMENT:** This Purchase Agreement ☐ **IS** ☒ **IS NOT** subject to
212. cancellation of a previously executed purchase agreement dated _____ . (Check one.)

213. (If answer is **IS**, said cancellation shall be obtained no later than _____ .

214. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Seller shall
215. immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money
216. paid here to be refunded to Buyer.)

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

217. Page 6 Date January 27 2022

218. Property located at 927&975 2nd Avenue Newport MN 55055.

219. **SPECIAL CONTINGENCIES:** This Purchase Agreement is subject to the following contingencies, and if the
220. contingencies checked below are not satisfied or waived, in writing, by Buyer by January 28th, 2022,
221. this Purchase Agreement is canceled as of said date. Buyer and Seller shall immediately sign a *Cancellation of*
222. *Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to
223. Buyer.

224. (Select appropriate options a-k.)

225. ☒ (a) Buyer obtaining a physical inspection of the Property, satisfactory to Buyer.
226. ☒ (b) Buyer obtaining evidence of utility connections available, and costs for connection to the Property, satisfactory
227. to Buyer.
228. ☒ (c) ☐ BUYER ☒ SELLER shall provide a certificate of survey of the Property, at ☐ BUYER ☒ SELLER
------(Check one.)----- expense.
229.
230. ☒ (d) Buyer obtaining approval of city/township of proposed building plans and specifications at
231. ☒ BUYER ☐ SELLER expense.
------(Check one.)-----
232. ☐ (e) Buyer obtaining approval of city/township of proposed subdivision development plans at
233. ☐ BUYER ☐ SELLER expense.
------(Check one.)-----
234. ☒ (f) Buyer obtaining approval of city/township for rezoning or use permits at ☒ BUYER ☐ SELLER expense.
------(Check one.)-----
235. ☐ (g) Buyer obtaining, at ☐ BUYER ☐ SELLER expense, percolation tests which are acceptable to Buyer.
------(Check one.)-----
236. ☒ (h) Buyer obtaining, at ☒ BUYER ☐ SELLER expense, soil tests which indicate that the Property may be
237. improved without extraordinary building methods or cost.
238. ☐ (i) Buyer obtaining approval of building plans and/or specifications in accordance with any recorded subdivision
239. covenants and approval of the architectural control committee.
240. ☐ (j) Buyer obtaining, at ☐ BUYER ☐ SELLER expense, copies of all covenants, reservations, and restrictions
241. affecting the Property, satisfactory to Buyer.
------(Check one.)-----
242. ☒ (k) Other:
243. - Seller to re-plat 927 2nd Ave into two halves (a North half and a South half), the
244. North half to be included in this PA with 975 2nd Ave to total approximately .5 acres
total and the South half of 927 2nd Ave to stay with the city of Newport.

245.

246. Seller's expenses for these contingencies (if any) shall not exceed \$ _____.

247. **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Seller shall deliver a: (Check one.)

248. ☒ WARRANTY DEED ☐ PERSONAL REPRESENTATIVE'S DEED ☐ CONTRACT FOR DEED

249. ☐ TRUSTEE'S DEED ☐ Other: _____ Deed joined in by spouse, if any, conveying
250. marketable title, subject to

251. (a) building and zoning laws, ordinances, state and federal regulations;
252. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;
253. (c) reservation of any mineral rights by the State of Minnesota;
254. (d) utility and drainage easements which do not interfere with existing improvements;
255. (e) **rights of tenants as follows** (unless specified, not subject to tenancies): _____

256. _____; and

257. (f) others (must be specified in writing):

258.

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

259. Page 7 Date January 27 2022

260. Property located at 927&975 2nd Avenue Newport MN 55055.

261. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*

262. ☒ **IMMEDIATELY AFTER CLOSING;** or

263. ☐ **OTHER:** _____.

264. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property
265. by possession date.

266. **PRORATIONS:** All interest; unit owners' association dues; rents; and charges for city water, city sewer, electricity,
267. and natural gas shall be prorated between the parties as of date of closing. Buyer shall pay Seller for remaining
268. gallons of fuel oil or liquid petroleum gas on the day of closing, at the rate of the last fill by Seller.

269. **TITLE AND EXAMINATION:** Within a reasonable time period after Final Acceptance Date, Seller shall provide one of
270. the following title evidence options, at Seller's selection, which shall include proper searches covering bankruptcies,
271. state and federal judgments and liens, and levied and pending special assessments to Buyer or Buyer's designated
272. title service provider:

273. (a) A commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write
274. title insurance in Minnesota as selected by Buyer. Seller shall be responsible for the title search and exam costs
275. related to the commitment. Buyer shall be responsible for all additional costs related to the issuance of the title
276. insurance policy(ies), including but not limited to the premium(s), Buyer's name search and plat drawing, if
277. any. Seller shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property,
278. if in Seller's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or
279. owner's title insurance policy provided shall be immediately returned to Seller, or licensee representing or
280. assisting Seller, upon cancellation of this Purchase Agreement.

281. (b) An Abstract of Title certified to date if Abstract Property or a Registered Property Abstract ("RPA") certified to date
282. if Registered (Torrens) Property. Seller shall pay for the abstracting or RPA costs and deliver any abstract for
283. this Property in Seller's possession or control to Buyer or Buyer's designated title service provider. Any abstract
284. provided shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of
285. this Purchase Agreement. If Property is Abstract and Seller does not have an abstract of title, Option (a) will
286. automatically apply.

287. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event that Seller has not
288. provided marketable title by the date of closing, Seller shall have an additional thirty (30) days to make title marketable
289. or, in the alternative, Buyer may waive title defects by written notice to Seller. In addition to the thirty (30)-day
290. extension, Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension,
291. either party may declare this Purchase Agreement canceled by written notice to the other party, or licensee
292. representing or assisting the other party, in which case this Purchase Agreement is canceled. If either party declares
293. this Purchase Agreement canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement*
294. confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

295. **SUBDIVISION OF LAND, BOUNDARIES, AND ACCESS:** If this sale constitutes or requires a subdivision of land
296. owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. This
297. provision deals with the necessity of subdividing land to complete the sale of the Property described here in contrast
298. to the subdivision provision of lines 232-233 which deals with the future development plans of Buyer. Seller warrants
299. the legal description of the real Property to be conveyed has been or shall be approved for recording as of the date
300. of closing. Seller warrants that there is a right of access to the Property from a public right-of-way.

301. **MECHANIC'S LIENS:** Seller warrants that prior to the closing, payment in full will have been made for all labor,
302. materials, machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing.

303. **NOTICES:** Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
304. proceedings or violation of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Seller
305. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any
306. such notices received by Seller shall be provided to Buyer immediately.

307. **DIMENSIONS:** Buyer acknowledges any dimensions, square footage, or acreage of land or improvements provided
308. by Seller, third party, or broker representing or assisting Seller are approximate. Buyer shall verify the accuracy of
309. information to Buyer's satisfaction, if material, at Buyer's sole cost and expense.

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

310. Page 8 Date January 27 2022

311. Property located at 927&975 2nd Avenue Newport MN 55055.

312. **ACCESS AGREEMENT:** Seller agrees to allow Buyer reasonable access to the Property for performance of any
313. surveys, inspections or tests, or for water, sewer, gas, or electrical service hookup as agreed to here. Buyer shall
314. restore the premises to the same condition it was in prior to the surveys, inspections, or tests and pay for any
315. restoration costs relative thereto.

316. **RISK OF LOSS:** If there is any loss or damage to the Property between the Date of this Purchase Agreement and
317. the date of closing for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall
318. be on Seller. If the Property is destroyed or substantially damaged before the closing date, this Purchase Agreement
319. is canceled, at Buyer's option, by written notice to Seller or licensee representing or assisting Seller. If Buyer cancels
320. this Purchase Agreement, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming
321. said cancellation and directing all earnest money paid here to be refunded to Buyer.

322. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.

323. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (Calendar or Business Days as specified)
324. following the occurrence of the event specified and includes subsequent days (Calendar or Business Days as
325. specified) ending at 11:59 P.M. on the last day.

326. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state and federal holidays
327. unless stated elsewhere by the parties in writing.

328. **CALENDAR DAYS:** "Calendar Days" include Saturdays, Sundays, or state or federal holidays. For purposes of this
329. Agreement, any reference to "days" means "Calendar Days" unless otherwise required by law.

330. **RELEASE OF EARNEST MONEY:** Buyer and Seller agree that the Earnest Money Holder shall release earnest
331. money from the Earnest Money Holder's trust account:

- 332. (a) at or upon the successful closing of the Property;
- 333. (b) pursuant to written agreement between the parties, which may be reflected in a *Cancellation of Purchase*
334. *Agreement* executed by both Buyer and Seller;
- 335. (c) upon receipt of an affidavit of a cancellation under MN Statute 559.217; or
- 336. (d) upon receipt of a court order.

337. **DEFAULT:** If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any
338. payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and
339. Seller shall affirm the same by a written cancellation agreement.

340. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the
341. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable. If either Buyer or Seller
342. defaults in any of the agreements here or there exists an unfulfilled condition after the date specified for fulfillment,
343. either party may cancel this Purchase Agreement under MN Statute 559.217, Subd. 3. Whenever it is provided here
344. that this Purchase Agreement is canceled, said language shall be deemed a provision authorizing a Declaratory
345. Cancellation under MN Statute 559.217, Subd. 4.

346. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages
347. for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific
348. performance, such action must be commenced within six (6) months after such right of action arises.

349. **NOTICE REGARDING AIRPORT ZONING REGULATIONS:** The Property may be in or near an airport safety zone
350. with zoning regulations adopted by the governing body that may affect the Property. Such zoning regulations are
351. filed with the county recorder in each county where the zoned area is located. If you would like to determine if such
352. zoning regulations affect the Property, you should contact the county recorder where the zoned area is located.

353. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender
354. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be
355. obtained by contacting the local law enforcement offices in the community where the Property is located
356. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web
357. site at www.corr.state.mn.us.

MN:PA:VL-8 (8/21)

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

358. Page 9 Date January 27 2022

359. Property located at 927&975 2nd Avenue Newport MN 55055.

360. **SPECIAL DISCLOSURES:** Seller discloses, to the best of Seller's knowledge, that the Property described in this

361. Purchase Agreement consists of approximately .5 ☒ **ACRES** ☐ **SQUARE FEET** and is currently zoned
------(Check one.)-----

362. Residential

363. Seller discloses, to the best of Seller's knowledge, that the Property ☐ **IS** ☒ **IS NOT** in a designated flood zone.
------(Check one.)-----

364. Seller discloses, to the best of Seller's knowledge, that the Property ☐ **DOES** ☒ **DOES NOT** currently receive
------(Check one.)-----

365. preferential tax treatment (e.g. Green Acres, Managed Forest Land, Non-Profit Status, Rural Preserve, SFIA, etc.).

366. Seller discloses, to the best of Seller's knowledge, that the Property ☐ **IS** ☒ **IS NOT** enrolled in any federal, state, or
------(Check one.)-----

367. local governmental programs (e.g., conservation programs, CREP, CRP, EQIP, Green Acres, Managed Forest Land,

368. RIM, riparian buffers, Rural Preserve, SFIA, WRP/RIM-WRP, etc.).

369. **BUYER HAS THE RIGHT TO A WALK-THROUGH REVIEW OF THE PROPERTY PRIOR TO CLOSING TO**
370. **ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF THIS**
371. **PURCHASE AGREEMENT.**

372. BUYER HAS RECEIVED A: (Check any that apply.) ☐ **DISCLOSURE STATEMENT: VACANT LAND** OR A
373. ☐ **DISCLOSURE STATEMENT: SELLER'S DISCLOSURE ALTERNATIVES** FORM.

374. **DESCRIPTION OF PROPERTY CONDITION:** See *Disclosure Statement: Vacant Land* or *Disclosure Statement:*
375. *Seller's Disclosure Alternatives* for description of disclosure responsibilities and limitations, if any.

376. **BUYER HAS RECEIVED THE INSPECTION REPORTS, IF REQUIRED BY MUNICIPALITY.**

377. **BUYER IS NOT RELYING ON ANY ORAL REPRESENTATIONS REGARDING THE CONDITION OF THE PROPERTY.**

378. **PLEASE NOTE:** Buyer may incur additional charges improving the Property, including, but not limited to, hookup and/
379. or access charges; municipal charges; costs for sewer access, stubbing access, water access, park dedication, road
380. access, curb cuts, utility connection and connecting fees; and tree planting charges.

381. **(Check appropriate boxes.)**

382. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:

383. **CITY SEWER** ☒ **YES** ☐ **NO** / **CITY WATER** ☒ **YES** ☐ **NO**

384. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

385. SELLER ☐ **DOES** ☒ **DOES NOT** KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR
------(Check one.)-----

386. SERVING THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure*
387. *Statement: Subsurface Sewage Treatment System*.)

388. **PRIVATE WELL**

389. SELLER ☐ **DOES** ☒ **DOES NOT** KNOW OF A WELL ON OR SERVING THE PROPERTY.
------(Check one.)-----

390. (If answer is **DOES** and well is located on the Property, see *Disclosure Statement: Well*.)

391. TO THE BEST OF SELLER'S KNOWLEDGE, THE PROPERTY ☐ **IS** ☒ **IS NOT** IN A SPECIAL WELL
------(Check one.)-----

392. CONSTRUCTION AREA.

393. THIS PURCHASE AGREEMENT ☐ **IS** ☒ **IS NOT** SUBJECT TO AN *ADDENDUM TO PURCHASE AGREEMENT*:
------(Check one.)-----

394. *SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.*

395. (If answer is **IS**, see attached *Addendum*.)

396. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**
397. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE**
398. **SEWAGE TREATMENT SYSTEM.**

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

399. Page 10 Date January 27 2022

400. Property located at 927&975 2nd Avenue Newport MN 55055.

401. **AGENCY NOTICE**

402. _____ is ☐ Seller's Agent ☐ Buyer's Agent ☐ Dual Agent ☐ Facilitator.
(Licensee) -----(Check one.)-----

403. _____
(Real Estate Company Name)

404. Nicholas Charles Dunnom is ☐ Seller's Agent ☒ Buyer's Agent ☐ Dual Agent ☐ Facilitator.
(Licensee) -----(Check one.)-----

405. RE/MAX Results
(Real Estate Company Name)

406. **THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.**

407. **DUAL AGENCY REPRESENTATION**

408. **PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:**

409. ☒ Dual Agency representation DOES NOT apply in this transaction. *Do not complete lines 410-426.*

410. ☐ Dual Agency representation DOES apply in this transaction. *Complete the disclosure in lines 411-426.*

411. Broker represents both the Seller(s) and the Buyer(s) of the Property involved in this transaction, which creates a
412. dual agency. This means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because
413. the parties may have conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for
414. either party. Broker cannot act as a dual agent in this transaction without the consent of both Seller(s) and Buyer(s).
415. Seller(s) and Buyer(s) acknowledge that

416. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will
417. remain confidential unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other
418. information will be shared;

419. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
420. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of
421. the sale.

422. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker
423. and its salesperson to act as dual agents in this transaction.

424. Seller _____ Buyer _____

425. Seller _____ Buyer _____

426. Date _____ Date _____

427. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the
428. cash outlay at closing or reduce the proceeds from the sale.

429. **SETTLEMENT STATEMENT:** Buyer and Seller authorize the title company, escrow agent, and/or their representatives
430. to disclose and provide copies of the disbursing agent's settlement statement to the real estate licensees involved
431. in the transaction at the time these documents are provided to Buyer and Seller.

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

432. Page 11 Date January 27 2022

433. Property located at 927&975 2nd Avenue Newport MN 55055.

434. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
435. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold
436. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller
437. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.

438. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same
439. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive
440. the closing and delivery of the deed.

441. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement
442. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer
443. identification numbers or Social Security numbers.

444. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for
445. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**
446. **compliance, as the respective licensee's representing or assisting either party will be unable to assure either**
447. **party whether the transaction is exempt from FIRPTA withholding requirements.**

448. **FULLY EXECUTED PURCHASE AGREEMENT AND FINAL ACCEPTANCE:** To be binding, this Purchase Agreement
449. and all addenda must be fully executed by both parties and a copy must be delivered.

450. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to
451. this transaction constitute valid, binding signatures.

452. **ENTIRE AGREEMENT:** This Purchase Agreement and all addenda and amendments signed by the parties shall
453. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer
454. and Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this
455. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
456. Seller or by operation of law. All monetary sums are deemed to be United States currency for purposes of this
457. Purchase Agreement.

458. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract
459. for deed.

460. **DATE OF THIS PURCHASE AGREEMENT:** Date of this Purchase Agreement to be defined as the date on line one
461. (1) of this Purchase Agreement.

462. **OTHER:**

463.

464.

465. **ADDENDA:** The following addenda are attached and made a part of this Purchase Agreement.

466. **NOTE:** Disclosures and optional Arbitration Agreement are not part of this Purchase Agreement.

- 467. ☐ Addendum to Purchase Agreement
- 468. ☐ Addendum to Purchase Agreement: Assumption Financing
- 469. ☐ Addendum to Purchase Agreement: Buyer Purchasing "As Is" and Limitation of Seller Liability
- 470. ☐ Addendum to Purchase Agreement: Condominium/Townhouse/Cooperative Common Interest Community
- 471. ☐ ("CIC")
- 472. ☐ Addendum to Purchase Agreement: Contract for Deed Financing
- 473. ☐ Addendum to Purchase Agreement: Disclosure of Information on Lead-Based Paint and Lead-Based Paint
- 474. ☐ Hazards
- 475. ☐ Addendum to Purchase Agreement: Sale of Buyer's Property Contingency
- 476. ☐ Addendum to Purchase Agreement: Seller's Purchase/Lease Contingency
- 477. ☐ Addendum to Purchase Agreement: Seller's Rent Back Agreement
- 478. ☐ Addendum to Purchase Agreement: Short Sale Contingency
- 479. ☐ Addendum to Purchase Agreement: Subsurface Sewage Treatment System and Well Inspection Contingency
- 480. ☐ Other: _____

PURCHASE AGREEMENT: VACANT LAND (RESIDENTIAL)

481. Page 12 Date January 27 2022

482. Property located at 927&975 2nd Avenue Newport MN 55055

483. I agree to sell the Property for the price and on the terms
484. and conditions set forth above.

485. **I have reviewed all pages of this Purchase**
486. **Agreement.**

I agree to purchase the Property for the price and on
the terms and conditions set forth above.

I have reviewed all pages of this Purchase
Agreement.

487. ☐ **If checked, this Purchase Agreement is subject to**
488. **attached Addendum to Purchase Agreement:**
489. **Counteroffer and the Final Acceptance Date shall**
490. **be noted on the Addendum.**

491. **FIRPTA:** Seller represents and warrants, under penalty
492. of perjury that Seller ☐ **IS** ☒ **IS NOT** a foreign person (i.e., a
-----*(Check one.)*-----
493. non-resident alien individual, foreign corporation, foreign
494. partnership, foreign trust, or foreign estate for purposes of
495. income taxation. (See lines 434-447.) This representation
496. and warranty shall survive the closing of the transaction
497. and the delivery of the deed.

498. **X** _____
(Seller's Signature) (Date)

 Brenda Kyle 02/04/2022
X _____
(Buyer's Signature) (Date)

499. **X** _____
(Seller's Printed Name)

X Brenda Kyle
(Buyer's Printed Name)

500. **X** _____
(Seller's Signature) (Date)

X _____
(Buyer's Signature) (Date)

501. **X** _____
(Seller's Printed Name)

X _____
(Buyer's Printed Name)

502. **FINAL ACCEPTANCE DATE:** _____ The Final Acceptance Date
503. is the date on which the fully executed Purchase Agreement is delivered.

504. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
505. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

506. **I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAVE HAD THE OPPORTUNITY TO REVIEW THE**
507. **DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION**
508. **AGREEMENT, WHICH IS AN OPTIONAL, VOLUNTARY AGREEMENT SEPARATE FROM THIS PURCHASE**
509. **AGREEMENT.**

510. **SELLER(S)** _____

 Brenda Kyle
BUYER(S) _____

511. **SELLER(S)** _____

BUYER(S) _____

MN:PA:VL-12 (8/21)

WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions.

THESE SOPHISTICATED CRIMINALS COULD:

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

Buyers/Tenants and Sellers/Owners are advised to:

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

If you suspect wire fraud in your transaction:

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.

Authentisign

Brenda Kyle

(Signature)

02/04/22

(Date)

(Signature)

(Date)

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(Top 3 inches reserved for recording data)

PERMANENT INGRESS/EGRESS, DRAINAGE AND UTILITY EASEMENT

THIS PERMANENT INGRESS/EGRESS, DRAINAGE AND UTILITY EASEMENT AGREEMENT ("Agreement") is made this ____ day of _____, 20____, by and between Brenda L. Kyle, a single person, 4886 Bolger Trail, Inver Grove Heights, MN 55076, referred to hereinafter as "Grantor," and the City of Newport, Minnesota, a municipal corporation organized under the laws of the State of Minnesota, 596 7th Avenue, Newport, Minnesota 55055, referred to hereinafter as "Grantee"; (collectively referred to herein as the "parties").

AGREEMENT

That pursuant the purchase agreement between the parties for the real property legally described herein and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Grantor and Grantee do hereby agree as follows:

1. The undersigned Grantor hereby grants and conveys to the Grantee a Permanent Easement, 32.00 feet in width, for ingress/egress, drainage and utility purposes (the "Permanent Easement"), over, under and across that part of the tract of land legally described on Exhibit A, which is attached hereto and incorporated herein by reference, in the City of Newport, Washington County, Minnesota; which Permanent Easement is legally described and depicted on Exhibit B, which is attached hereto and incorporated by reference (the "Permanent Easement Area").
2. The Grantor states and hereby covenants that the Grantor is the lawful owner of the above-described real property, is lawfully seized and possessed of said real property, and that the Grantor has good and lawful right to grant the Permanent Easement described herein.
3. The Grantee shall have the right to access, construct, excavate, grade, inspect, install, remove, demolish, operate, maintain, place, replace, reconstruct, improve, enlarge and repair, as it may find reasonably necessary drainage and utility facilities and improvements, and such other improvements appurtenant thereto, in the Permanent Easement Area described herein.

4. The Grantee and its employees, agents, permittees and licensees shall have the right of ingress and egress to and from the Permanent Easement Area at all times and without notice to Grantor by such route, in the judgment of the Grantee, as shall occasion the least practical damage and inconvenience to the Grantor.
5. The Grantee shall have the right to trim, remove and keep the Permanent Easement area clear of all buildings, structures, roots, shrubbery, trees, bushes, undergrowth and all other obstructions that may interfere with or endanger the Grantee's exercise of any of the rights pursuant to this Permanent Easement.
6. The Grantor shall not erect, construct or locate in the Permanent Easement area any new structure or object that was not in existence on the date of this Permanent Easement, which would prevent the Grantee's reasonable access to the Permanent Easement Area or prevent the Grantee's full enjoyment of the rights granted hereunder, without the written consent of the Grantee.
7. The Grantee shall restore any and all disturbed areas within the Permanent Easement Area back to as close to original condition as, in Grantee's judgment, is reasonably practicable given the rights granted hereunder.
8. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
9. This Permanent Easement shall be recorded as soon as practicable following its execution with the understanding that the Grantee has complete and absolute sole ownership, use and control of the public drainage and utility facilities and improvements constructed or which will be constructed in the Permanent Easement Area in accordance with the grant of rights conveyed herein.
10. Grantor and Grantee agree to correct any legal descriptions contained herein if there is a mistake discovered, including any mistakes or discrepancies revealed by an accurate survey of the property identified herein.

Remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the parties have hereunto executed this document the day and year first above written.

GRANTOR:

Brenda L. Kyle

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by Brenda L. Kyle, a single person, Grantor.

Notary Public

GRANTEE:

CITY OF NEWPORT, MINNESOTA

By: _____
Laurie Elliott, Its Mayor

ATTEST:

By: _____
Deb Hill, Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Laurie Elliott, as Mayor, and Deb Hill, as City Administrator, on behalf of the City of Newport, a municipal corporation under the laws of the State of Minnesota, Grantee.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A,
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY

The real property referenced in this Permanent Easement is legally described as follows:

LEGAL DESCRIPTION:

Lot 7, Block 13 together with Lot 5 excepting the North 16.00 feet thereof, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota together with the North 32.00 feet of vacated 9th Street. (Note. The City of Newport owns adjoining parcel to the North and South of 9th Street and conveyed out vacated 9th Street in two parcels consisting of the North 32.00 feet and the South 18.00 feet totaling a 50.00 foot right of way.)

The property contains 15,045 square feet or 0.34 acres.

EXHIBIT B

LEGAL DESCRIPTION AND DEPICTION OF PERMANENT EASEMENT

EASEMENT LEGAL DESCRIPTION:

A PERPETUAL EASEMENT FOR INGRESS/EGRESS AND DRAINAGE AND UTILITY PURPOSES OVER, UNDER AND ACROSS THE NORTH 32 FEET OF VACATED 9TH STREET ACCRUING TO LOT 7, BLOCK 13 TOWN OF NEWPORT, ACCORDING TO THE RECORDED PLAT ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER, WASHINGTON COUNTY, MINNESOTA.

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

CURTIS E. SCHLEY
09/14/2021
Date
49907
Registration No.

THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A TITLE SEARCH AND DOES NOT PURPORT TO SHOW ALL EASEMENTS OR ENCUMBRANCES OF RECORD.

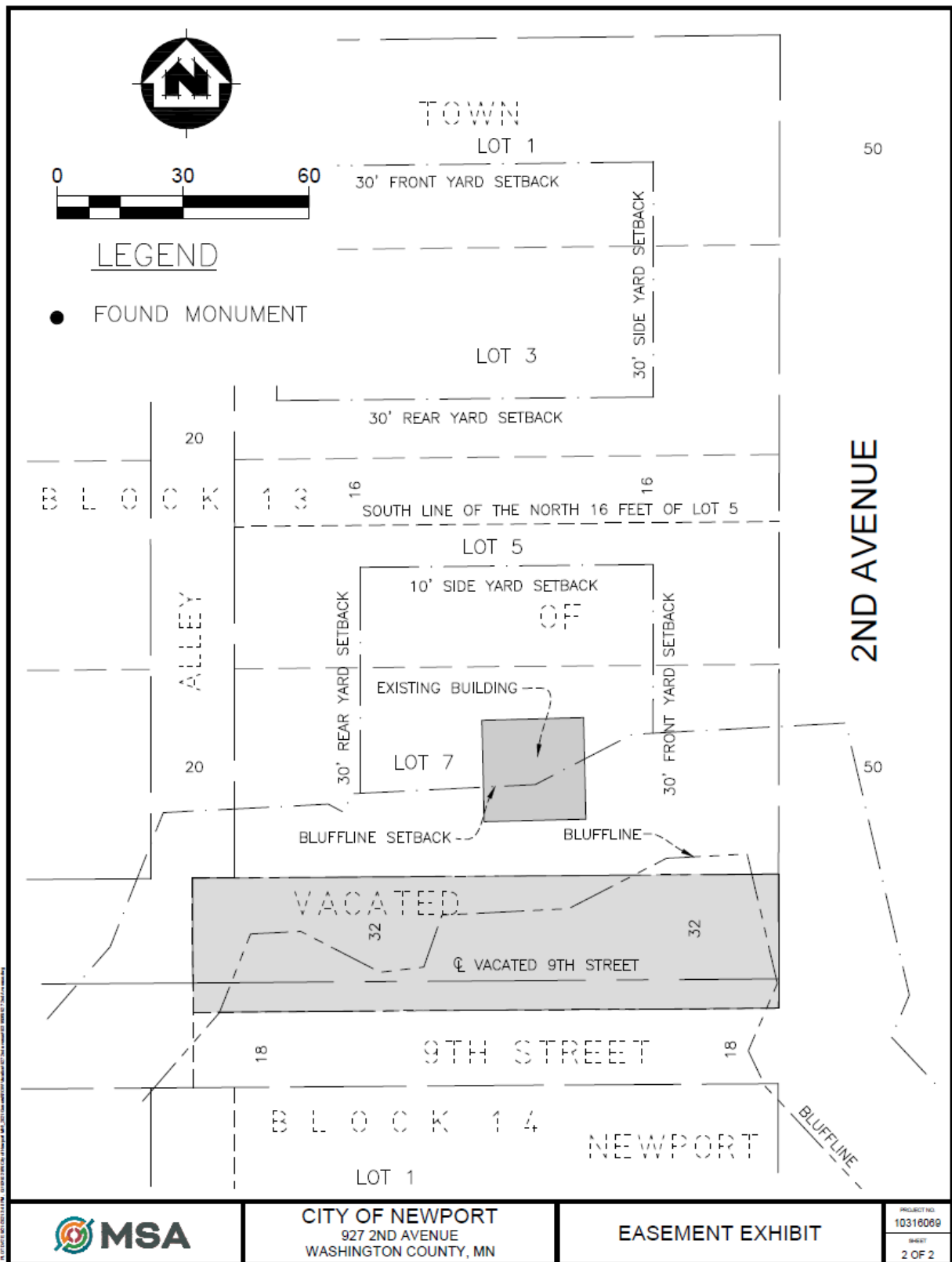
THIS SURVEY REFLECTS ABOVE GROUND INDICATIONS OF UTILITIES AND INFORMATION AVAILABLE FROM ASBUILT DRAWINGS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANTY THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED, ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED UNDERGROUND UTILITIES.



CITY OF NEWPORT
927 2ND AVENUE
WASHINGTON COUNTY, MN

EASEMENT EXHIBIT

PROJECT NO.
10310089
SHEET
1 OF 2



PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”) is made this ____ day of _____, 2022, by and between the Newport Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota, 596 7th Avenue, Newport, Minnesota 55055 (the “EDA” or “Seller”), and Brenda L. Kyle, 4886 Bolger Trail, Inver Grove Heights, MN 55076 (“Kyle” or “Buyer”); (collectively the “Parties”).

In consideration of the covenants and agreements of the Parties hereto, Seller and Buyer agree as follows:

1. **SALE OF PROPERTY.** Upon and subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the following:
 - a. **Real Property.** The real property located at 975 2nd Avenue (“Parcel A”) and 927 2nd Avenue (“Parcel B”) in the City of Newport, Washington County, Minnesota, (respectively PID Nos. 35.028.22.44.0025 and 35.028.22.44.0072); legally described on the attached Exhibit A, excepting any easements and rights benefiting or appurtenant to the real property and improvements including any right, title or interest in the bed of any street, road, highway or alley adjoining the real property (the “Real Property” or the “Property”); and
 - b. **Personal Property:** There is no personal property included in this sale/purchase.
2. **PURCHASE PRICE AND MANNER OF PAYMENT.** The total purchase price (“Purchase Price”) to be paid by Buyer to Seller for the Real Property is Two Hundred Thousand and No/100ths (\$200,000.00) Dollars, which amount shall be paid as follows:
 - a. \$5,000.00 as earnest money; receipt of which is hereby acknowledged by Seller; and
 - b. \$195,000.00 paid on the Closing Date.
3. **CLOSING AND POSSESSION.** The closing of the purchase and sale contemplated by this Agreement (the “Closing”) shall occur on a date mutually acceptable to Seller and Buyer, but no later than March 1, 2022 (the “Closing Date”). The Seller agrees to deliver possession not later than the Closing Date provided that all the contingencies and other terms and conditions contained in this Agreement have been complied with and satisfied. The Closing shall take place at Newport City Hall or the Title Company, as hereinafter defined, or at such other place as may be agreed to mutually by the Parties.
 - a. **Seller’s Closing Documents.** On the Closing Date, Seller shall execute and/or deliver to Buyer the following (collectively, “Seller’s Closing Documents”):
 - i. Quit Claim Deeds. Attached hereto and made a part hereof as Exhibit B

and Exhibit C are the required Quit Claim Deeds for Parcel A and Parcel B, respectively, containing the terms, covenants, and conditions upon which the sale of the Real Property is based. Pursuant to Minnesota Statutes, section 469.105, the Quit Claim Deeds shall contain the following restrictions, covenants, and conditions:

1. The Real Property herein conveyed shall be devoted to the following use: residential.
2. The Real Property shall be devoted to such intended use in accordance with the provisions of the Deeds.
3. The Buyer shall (a) commence work on the improvements within one year from the date the deeds are recorded with the Office of the Washington County Recorder, and (b) shall devote the Real Property to its intended use by June 30, 2023. If the Buyer fails to commence work on time or fails to devote the Real Property to its intended use, or fails to devote the Real Property to its intended use on time, title to the Real Property shall revert to Seller, at Seller's election, and, in that event, Buyer shall promptly offer a deed(s) to the Real Property legally described herein to Seller, who will then refund to Buyer the amount of the Purchase Price paid by Buyer to Seller, without interest, less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Seller may, at its option, consider an extension of time for good cause shown by Buyer. In the event an extension is granted, such extension (a) shall be to a date certain, (b) may be conditioned by Seller to protect the public interest, and (c) during the period Buyer shall not transfer title to the Real Property without the express written consent of Seller.

After the Buyer has devoted the Real Property to its intended use in accordance with approved plans and specifications for the development of the Real Property submitted to the Seller, the Seller shall provide to Buyer a certificate of compliance / completion in recordable form within 30 days from the determination thereof by Seller.

4. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.090 to 469.108, and all of said conditions and the conditions stated herein relative to the use of the Real Property are covenants running with the land.
5. The Buyer shall not transfer title to the Real Property within one (1) year after the date of the Deeds without the express written consent of the Seller.

6. Any transfer of title to the Real Property made pursuant to the provisions of paragraphs 3 and 5 hereof shall be made only to a person or entity who demonstrates to the satisfaction of Seller that such person or entity has the ability to perform in place of Buyer.
 - ii. Well Certificate. If there are wells on the Real Property, a Well Certificate in the form required by Minn. Stat. § 103I.235.
 - iii. Other Affidavits. Any other affidavits or certificates that may be required under Minn. Stat. § 116.48, Subd. 6, or Minn. Stat. § 115B.16 or other applicable provisions of law.
 - iv. Other. Such other documents as may reasonably be required to transfer fee title to the Property to Buyer.
 - b. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute and/or deliver to Seller the following (collectively, "Buyer's Closing Documents):
 - i. Purchase Price. The Purchase Price, minus the earnest money, by check or wire transfer.
 - ii. Certificate of Real Estate Value. A Certificate of Real Estate Value.
4. **CONDITIONS PRECEDENT AND SUBSEQUENT.** The obligations of the Parties to perform under this Purchase Agreement are contingent upon the timely occurrence or satisfaction of each of the following conditions:
 - a. **Public Hearing.** Sale of the Real Property is contingent upon a determination by the EDA as to the advisability of the sale; that the sale and conveyance are in the public interest, the best interests of the city or district and its people, and that the transaction furthers the EDA's general plan of economic development and the aims and purposes of Minnesota Statutes, Sections 469.090 to 469.108, after a public hearing required by Minnesota Statutes, Section 469.105, which shall be held prior to the Closing Date. The Parties understand and agree that the sale/purchase of the Real Property is contingent upon approval by the Board of Commissioners of the EDA prior to the Closing Date.
 - b. **Plans and Specifications.** Pursuant to Minnesota Statutes, Section 469.105, subd. 7, the Buyer shall, prior to the transfer of title of the Real Property, submit to the EDA written plans and specifications for the development of the Real Property; no transfer shall be made unless and until such plans are approved in writing by the EDA. The detail of the plans and specifications shall be such as will enable the EDA to determine with reasonable certainty that the project on the Real Property is or will be in compliance with the law and will, if carried out, provide for the intended use

- c. **One-year deadline.** Pursuant to Minnesota Statutes, Section 469.105, subd. 5, the Real Property shall be devoted to its intended use or work on the improvements to the Property to devote it to that use must be started within one year of the Closing Date, based upon the plans and specifications for the development project approved by the EDA.
- d. **Private Financing.** Prior to or on the Closing Date, Buyer has closed on Buyer's financing and provided to Seller a document signed by the Buyer's bank or other financial institution demonstrating that Buyer has closed and obtained financing to construct and complete the development project on the Real Property.
- e. **Form of Quit Claim Deeds.** Attached hereto and made a part hereof as Exhibit B and Exhibit C are the forms of the Quit Claim Deeds required containing the terms, covenants, and conditions upon which the sale of the Real Property is based.
- f. **Ingress/Egress, Drainage and Utility Easement.** Prior to or on the Closing Date the Buyer shall execute an ingress/egress, drainage and utility easement agreement with and in favor of the City of Newport, Minnesota, upon 927 2nd Ave, Parcel B, PID No. 35.028.22.44.0072, as legal described as follows: a perpetual easement for ingress/egress, drainage and utility purposes over, under and across the north 32 feet of vacated 9th Street accruing to Lot 7, Block 13, Town of Newport, according to the recorded plat on file and of record in the Office of the County Recorder, Washington County, Minnesota; as included in the quit claim deed for Parcel B in Exhibit C, and as provided in the permanent easement agreement in Exhibit D, which is attached hereto and incorporated herein by reference. The above-referenced permanent easement agreement shall be recorded by the Buyer commensurate with, but immediately following the above-referenced quit claim deed.
- g. **Minor Subdivision/Lot Consolidation.** Buyer shall at Buyer's expense, within 180 days of the date of closing and in accordance with applicable law, apply for, undertake, complete and record a minor subdivision/lot consolidation, as applicable, combining Parcel A and Parcel B into a single lot of record.
- h. **Title.** On the Closing Date, title to the Real Property shall be acceptable to Buyer subject to and in accordance with the provisions of Section 8 regarding title examination.
- i. **Transaction Approval.** Seller's obligation to perform hereunder is contingent upon Seller obtaining, before the Closing Date, approval of the transaction contemplated by this Agreement by the Board of Commissioners of the EDA. Notwithstanding anything in this Agreement to the contrary, if such approval has not been obtained by the Closing Date, this Agreement shall be null and void. Execution of this Agreement by any person on behalf of the Seller prior to obtaining the necessary approvals provided herein shall not confer any personal

authority nor create any personal liability on the signer for the obligations of Seller under this Agreement.

The above conditions in this section are solely for the benefit of, and may at any time be waived by, the Party so benefitted. If any approval as provided herein is not obtained, or any condition precedent not satisfied, by the Closing Date, this Agreement shall be null and void.

5. **PURCHASE, AS-IS.** The Real Property described in this Purchase Agreement is being sold in an “as is” and with “all faults” condition, Buyer hereby acknowledges that Buyer has had an opportunity to inspect the Real Property prior to the execution of this Agreement. Buyer’s acceptance of title to the Real Property shall represent Buyer’s acknowledgment and agreement that, except as expressly set forth in this Agreement: (i) Seller has not made any written or oral representation or warranty of any kind with respect to the Real Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose or use), (ii) Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Real Property, (iii) Buyer has had an adequate opportunity to inspect the condition of the Real Property, including without limitation, any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing, and (iv) the condition of the Real Property is fit for Buyer’s intended use. Buyer agrees to accept all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the property, known or unknown, contemplated or un contemplated, suspected or unsuspected, arising out of, resulting from, or relating to the condition of the Real Property, including without limitation, the presence of any Hazardous Substance on the Real Property, whether such Hazardous Substance is located on or under the Real Property, or has migrated or will migrate from or to the Real Property.

a. For purposes of this Section, the following terms have the following meanings:

- i. “Environmental Law” means the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and
- ii. “Hazardous Substance” means any pollutant, contaminant, hazardous

substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

- iii. "Claim" or "Claims" means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

6. **WELLS AND INDIVIDUAL SEWAGE TREATMENT SYSTEMS.** The Seller certifies that the Seller does not know of any wells or individual sewage treatment systems on or serving the Real Property described herein.

7. **PRORATIONS.** Seller and Buyer agree to the following prorations and allocation of costs regarding the Real Property and this Agreement.

- a. **Deed Tax.** Buyer shall pay all state deed tax regarding the deeds to be delivered by Seller under this Agreement.
- b. **Real Estate Taxes and Special Assessments.** Real estate taxes and any special assessments payable in the year 2022 shall be prorated between Seller and Buyer to the Closing Date. The Buyer shall pay real estate taxes and any special assessments payable therewith thereafter.
- c. **Recording Costs.** Buyer will pay the cost of recording the Deeds. Seller shall pay the cost of recording any documents necessary to perfect its own title.
- d. **Other Costs.** All other operating costs of the Real Property will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs accruing on or before the Closing Date, and Buyer pays that part of such operating costs accruing after the Closing Date.
- e. **Attorneys' Fees.** Each of the parties will pay its own attorneys', accountants' and consultants' fees.

8. **TITLE EXAMINATION.**

- a. **The Delivery of the Title Commitment.** Buyer may obtain, at its option and expense, a commitment for an owner's policy of title insurance. Buyer shall pay all costs associated with obtaining title insurance including, but not limited to, updating the abstract, if any, or obtaining a new registered property abstract of title for the Real Property, title insurance premiums and title examination fees (hereinafter the "Title Commitment"), issued by a Title Insurance Company

authorized to do business in the State of Minnesota and approved by Buyer (hereinafter the "Title Company"). The Title Commitment shall be based upon the description of the Real Property provided herein and shall show fee title in the Seller, subject only to those encumbrances waived in writing by Buyer, and shall provide for extended coverage risks and include special endorsements for zoning, contiguity and such other matters as Buyer may request.

- b. **The Making and Curing of Title Objections.** Buyer shall be allowed fifteen (15) days after receipt of the Title Commitment in which to make objections to the content of the commitment, said objections to be made in writing. If there are any objections to the title which are not remedied by the Closing Date, the Seller shall have sixty (60) days from the date of receipt of said written objections in which to remedy said objections.
 - c. **The Consequences of Failing to Cure Title Objections.** If said objections are not remedied within sixty (60) days from the date of Seller's receipt of said objections, then Buyer shall have the following two alternatives:
 - i. Buyer may accept title to said Real Property subject to said objections; or
 - ii. Buyer may declare this entire transaction to be null and void, in which case, any earnest money shall immediately be returned to Buyer.
9. **ENTIRE AGREEMENT; MODIFICATION.** This written Agreement constitutes the complete agreement between the Parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the Parties.
10. **BINDING EFFECT.** This Agreement binds and benefits the parties and their successors and assigns.
11. **CONTROLLING LAW.** The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.
12. **DATES AND TIME PERIODS.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.

13. **NOTICES.** Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to an officer of Seller; or if it is directed to Buyer, by delivering to a partner of Buyer; or if mailed by United States registered or certified mail; return receipt requested, postage prepaid; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer: Brenda L. Kyle
4886 Bolger Trail
Inver Grove Heights, MN 55076

If to Seller: Deb Hill, Executive Director
Newport Economic Development Authority
596 7th Avenue
Newport, Minnesota 55055

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party shall commence to run two (2) business days after any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified.

14. **REMEDIES.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving written notice to Buyer. If Buyer fails to cure such default within thirty (30) days after receipt of such written notice, this Agreement will terminate, and upon such termination Seller will retain any Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of this Agreement and retention of the Earnest Money, if any, will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages. If Seller defaults under this Agreement, Buyer may terminate the Agreement upon thirty (30) days' written notice to Seller (Seller having cure rights during the 30-day period), and upon such termination, the Earnest Money, if any, shall be refunded to Buyer and thereafter, neither Party shall have any further rights or obligations hereunder.

15. **MISCELLANEOUS PROVISIONS.**

- a. **Voluntary and Knowing Action.** The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
- b. **Authorized Signatories.** The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for

the full enforceability of this Agreement; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

- c. **Data Practices.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.
- d. **Assignment.** This Agreement may not be assigned by either party without the written consent of the other Party.
- e. **Headings and Captions.** Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- f. **Survival.** The respective covenants, agreements, indemnifications, warranties and other terms of this Agreement will survive and be in full force and effect after the Closing, and shall not be deemed to have merged into any of the Closing Documents.
- g. **Other Documents.** Each Party to this Agreement agrees, both at the Closing and after the Closing, to execute such other documents as may be reasonably requested by the other party in order to complete the transactions contemplated by this Agreement.
- h. **Counterparts.** This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract.

Remainder of this page intentionally left blank.

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be executed effective as of the day and year first set forth above.

SELLER:

**NEWPORT ECONOMIC DEVELOPMENT
AUTHORITY**

By: _____
Laurie Elliott, Its President

By: _____
Deb Hill, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Laurie Elliott, as President, and Deb Hill, as Executive Director, for the Newport Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota, Seller.

Notary Public

BUYER:

Brenda L. Kyle

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by Brenda L. Kyle, Buyer.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

EXHIBIT A
TO PURCHASE AGREEMENT

Legal Description of Real Property

Parcel A:

Lots 1 and 3, Block 13, together with the North 16.00 feet of Lot 5, Block 13, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota.

The property contains 15,072 square feet or 0.35 acres. Subject to easements of record.

Parcel B:

Lot 7, Block 13 together with Lot 5 excepting the North 16.00 feet thereof, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota together with the North 32.00 feet of vacated 9th Street. (Note. The City of Newport owns adjoining parcel to the North and South of 9th Street and conveyed out vacated 9th Street in two parcels consisting of the North 32.00 feet and the South 18.00 feet totaling a 50.00 foot right of way.)

The property contains 15,045 square feet or 0.34 acres. Subject to easements of record.

EXHIBIT B
TO PURCHASE AGREEMENT

Quit Claim Deed: Parcel A

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

eCRV number: _____

DEED TAX DUE: \$ _____

DATE: _____, 20__

FOR VALUABLE CONSIDERATION, the Newport Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota (“**Grantor**”), hereby conveys and quitclaims to Brenda L. Kyle (“**Grantee**”), real property in Washington County, Minnesota, legally described as:

Lots 1 and 3, Block 13, together with the North 16.00 feet of Lot 5, Block 13, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota.

The property contains 15,072 square feet or 0.35 acres. Subject to easements of record.

together with all hereditaments and appurtenances belonging thereto.

Subject to the following restrictions, covenants, and conditions:

1. The real property herein conveyed shall be devoted to the following use: residential.
2. The real property shall be devoted to such intended use by the Grantee in accordance with the provisions of this Deed.
3. The Grantee shall (a) commence work on the improvements within one year from the date the deed is recorded with the Office of the Washington County Recorder, and (b) shall devote the Real Property to its intended use by June 30, 2023. If the Grantee fails to commence work on time or fails to devote the real property to its intended or fails to devote the real property to its intended use on time, title to the real property shall revert to Grantor, at Grantor's election, and, in that event, Grantee shall promptly offer a deed to the real property legally described herein to Grantor, who will then refund to Grantee the

amount of the Purchase Price paid by Grantee to Grantor, without interest, less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Grantor may, at its option, consider an extension of time for good cause shown by Grantee. In the event an extension is granted, such extension (a) shall be to a date certain, (b) may be conditioned by Grantor to protect the public interest, and (c) during the period Grantee shall not transfer title to the real property without the express written consent of Grantor.

After the Grantee has devoted the real property to its intended use in accordance with the approved plans and specifications for the development of the real property submitted to the Grantor, the Grantor shall provide to Grantee a certificate of compliance/completion in recordable form within 30 days from the determination thereof by Grantor.

4. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.090 to 469.108, and all of said conditions and the conditions stated herein relative to the use of the real property are covenants running with the land.
5. The Grantee shall not transfer title to the real property within one (1) year after the date of this Deed without the express written consent of the Grantor.
6. Any transfer of title to the real property made pursuant to the provisions of paragraphs 3 and 5 hereof shall be made only to a party who demonstrates to the satisfaction of Grantor that such party has the ability to perform in place of Grantee.

Check here if all or part of the described real property is Registered (Torrens) ☐

The Grantor certifies that the Grantor does not know of any wells on the described real property.

Grantor

Newport Economic Development Authority

By: _____
Laurie Elliott, Its President

By: _____
Deb Hill, Its Executive Director

EXHIBIT C
TO PURCHASE AGREEMENT

Quit Claim Deed: Parcel B

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

eCRV number: _____

DEED TAX DUE: \$ _____

DATE: _____, 20__

FOR VALUABLE CONSIDERATION, the Newport Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota ("**Grantor**"), hereby conveys and quitclaims to Brenda L. Kyle ("**Grantee**"), real property in Washington County, Minnesota, legally described as:

Lot 7, Block 13 together with Lot 5 excepting the North 16.00 feet thereof, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota together with the North 32.00 feet of vacated 9th Street. (Note. The City of Newport owns adjoining parcel to the North and South of 9th Street and conveyed out vacated 9th Street in two parcels consisting of the North 32.00 feet and the South 18.00 feet totaling a 50.00 foot right of way.)

The property contains 15,045 square feet or 0.34 acres.

together with all hereditaments and appurtenances belonging thereto, reserving to the Grantor a permanent ingress/egress, drainage and utility easement as more fully described in that certain Permanent Ingress/Egress, Drainage and Utility Easement Agreement dated of even date herewith, to be recorded in the office of the county recorder in and for Washington County contemporaneously with the recording of this instrument.

Subject to the following restrictions, covenants, and conditions:

1. The real property herein conveyed shall be devoted to the following use: residential.
2. The real property shall be devoted to such intended use by the Grantee in accordance with the provisions of this Deed.

3. The Grantee shall (a) commence work on the improvements within one year from the date the deed is recorded with the Office of the Washington County Recorder, and (b) shall devote the Real Property to its intended use by June 30, 2023. If the Grantee fails to commence work on time or fails to devote the real property to its intended or fails to devote the real property to its intended use on time, title to the real property shall revert to Grantor, at Grantor's election, and, in that event, Grantee shall promptly offer a deed to the real property legally described herein to Grantor, who will then refund to Grantee the amount of the Purchase Price paid by Grantee to Grantor, without interest, less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Grantor may, at its option, consider an extension of time for good cause shown by Grantee. In the event an extension is granted, such extension (a) shall be to a date certain, (b) may be conditioned by Grantor to protect the public interest, and (c) during the period Grantee shall not transfer title to the real property without the express written consent of Grantor.

After the Grantee has devoted the real property to its intended use in accordance with the approved plans and specifications for the development of the real property submitted to the Grantor, the Grantor shall provide to Grantee a certificate of compliance/completion in recordable form within 30 days from the determination thereof by Grantor.

4. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.090 to 469.108, and all of said conditions and the conditions stated herein relative to the use of the real property are covenants running with the land.
5. The Grantee shall not transfer title to the real property within one (1) year after the date of this Deed without the express written consent of the Grantor.
6. Any transfer of title to the real property made pursuant to the provisions of paragraphs 3 and 5 hereof shall be made only to a party who demonstrates to the satisfaction of Grantor that such party has the ability to perform in place of Grantee.

Check here if all or part of the described real property is Registered (Torrens) ☐

The Grantor certifies that the Grantor does not know of any wells on the described real property.

Grantor

Newport Economic Development Authority

By: _____
Laurie Elliott, Its President

By: _____
Deb Hill, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me on _____, 20____, by Laurie Elliott, as President, and Deb Hill, as Executive Director, of the Newport Economic Development Authority, Grantor.

(Notary Seal)

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

TAX STATEMENTS FOR THE REAL
PROPERTY DESCRIBED IN THIS
INSTRUMENT SHOULD BE SENT TO:

Brenda L. Kyle
4886 Bolger Trail
Inver Grove Heights, MN 55076

EXHIBIT D
TO PURCHASE AGREEMENT

Permanent Easement Agreement

PERMANENT INGRESS/EGRESS, DRAINAGE AND UTILITY EASEMENT

THIS PERMANENT INGRESS/EGRESS, DRAINAGE AND UTILITY EASEMENT AGREEMENT (“Agreement”) is made this ____ day of _____, 20____, by and between Brenda L. Kyle, a single person, 4886 Bolger Trail, Inver Grove Heights, MN 55076, referred to hereinafter as “Grantor,” and the City of Newport, Minnesota, a municipal corporation organized under the laws of the State of Minnesota, 596 7th Avenue, Newport, Minnesota 55055, referred to hereinafter as “Grantee”; (collectively referred to herein as the “parties”).

AGREEMENT

That pursuant to the purchase agreement between the parties for the real property legally described herein and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Grantor and Grantee do hereby agree as follows:

1. The undersigned Grantor hereby grants and conveys to the Grantee a Permanent Easement, 32.00 feet in width, for ingress/egress, drainage and utility purposes (the “Permanent Easement”), over, under and across that part of the tract of land legally described on Exhibit A, which is attached hereto and incorporated herein by reference, in the City of Newport, Washington County, Minnesota; which Permanent Easement is legally described and depicted on Exhibit B, which is attached hereto and incorporated by reference (the “Permanent Easement Area”).
2. The Grantor states and hereby covenants that the Grantor is the lawful owner of the above-described real property, is lawfully seized and possessed of said real property, and that the Grantor has good and lawful right to grant the Permanent Easement described herein.
3. The Grantee shall have the right to access, construct, excavate, grade, inspect, install, remove, demolish, operate, maintain, place, replace, reconstruct, improve, enlarge and repair, as it may find reasonably necessary drainage and utility facilities and improvements, and such other improvements appurtenant thereto, in the Permanent Easement Area described herein.

4. The Grantee and its employees, agents, permittees and licensees shall have the right of ingress and egress to and from the Permanent Easement Area at all times and without notice to Grantor by such route, in the judgment of the Grantee, as shall occasion the least practical damage and inconvenience to the Grantor.
5. The Grantee shall have the right to trim, remove and keep the Permanent Easement area clear of all buildings, structures, roots, shrubbery, trees, bushes, undergrowth and all other obstructions that may interfere with or endanger the Grantee's exercise of any of the rights pursuant to this Permanent Easement.
6. The Grantor shall not erect, construct or locate in the Permanent Easement area any new structure or object that was not in existence on the date of this Permanent Easement, which would prevent the Grantee's reasonable access to the Permanent Easement Area or prevent the Grantee's full enjoyment of the rights granted hereunder, without the written consent of the Grantee.
7. The Grantee shall restore any and all disturbed areas within the Permanent Easement Area back to as close to original condition as, in Grantee's judgment, is reasonably practicable given the rights granted hereunder.
8. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
9. This Permanent Easement shall be recorded as soon as practicable following its execution with the understanding that the Grantee has complete and absolute sole ownership, use and control of the public drainage and utility facilities and improvements constructed or which will be constructed in the Permanent Easement Area in accordance with the grant of rights conveyed herein.
10. Grantor and Grantee agree to correct any legal descriptions contained herein if there is a mistake discovered, including any mistakes or discrepancies revealed by an accurate survey of the property identified herein.

Remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the parties have hereunto executed this document the day and year first above written.

GRANTOR:

Brenda L. Kyle

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by Brenda L. Kyle, a single person, Grantor.

Notary Public

GRANTEE:

CITY OF NEWPORT, MINNESOTA

By: _____
Laurie Elliott, Its Mayor

ATTEST:

By: _____
Deb Hill, Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Laurie Elliott, as Mayor, and Deb Hill, as City Administrator, on behalf of the City of Newport, a municipal corporation under the laws of the State of Minnesota, Grantee.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A,
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY

The real property referenced in this Permanent Easement is legally described as follows:

LEGAL DESCRIPTION:

Lot 7, Block 13 together with Lot 5 excepting the North 16.00 feet thereof, Town of Newport according to the plat on file and of record in the Office of the County Recorder, Washington County, Minnesota together with the North 32.00 feet of vacated 9th Street. (Note. The City of Newport owns adjoining parcel to the North and South of 9th Street and conveyed out vacated 9th Street in two parcels consisting of the North 32.00 feet and the South 18.00 feet totaling a 50.00 foot right of way.)

The property contains 15,045 square feet or 0.34 acres.

EXHIBIT B

LEGAL DESCRIPTION AND DEPICTION OF PERMANENT EASEMENT

EASEMENT LEGAL DESCRIPTION:

A PERPETUAL EASEMENT FOR INGRESS/EGRESS AND DRAINAGE AND UTILITY PURPOSES OVER, UNDER AND ACROSS THE NORTH 32 FEET OF VACATED 9TH STREET ACCRUING TO LOT 7, BLOCK 13 TOWN OF NEWPORT, ACCORDING TO THE RECORDED PLAT ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER, WASHINGTON COUNTY, MINNESOTA.

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

CURTIS E. SCHLEY
09/14/2021
Date
49907
Registration No.

THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A TITLE SEARCH AND DOES NOT PURPORT TO SHOW ALL EASEMENTS OR ENCUMBRANCES OF RECORD.

THIS SURVEY REFLECTS ABOVE GROUND INDICATIONS OF UTILITIES AND INFORMATION AVAILABLE FROM ASBUILT DRAWINGS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANTY THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED, ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED UNDERGROUND UTILITIES.



CITY OF NEWPORT
927 2ND AVENUE
WASHINGTON COUNTY, MN

EASEMENT EXHIBIT

PROJECT NO.
10310069
SHEET
1 OF 2

